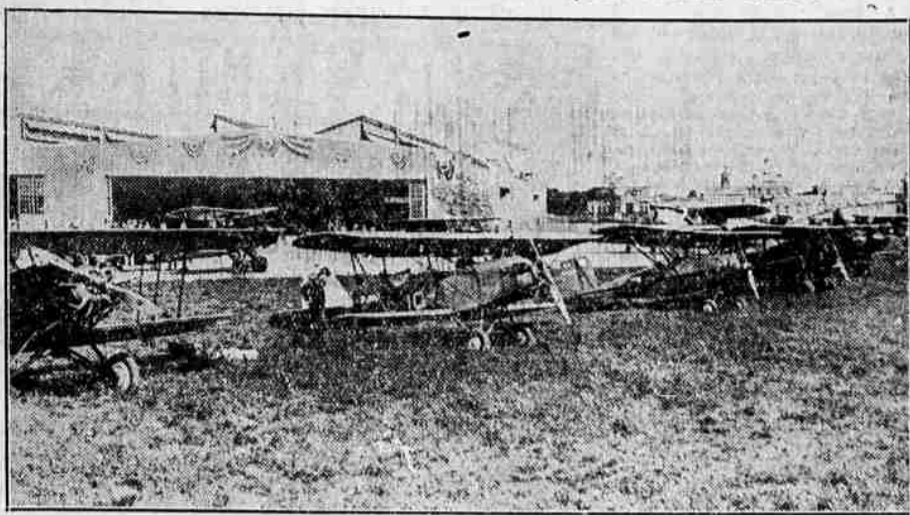


PLANES IN AIR TOUR BEGIN 6,500-MILE TEST



Planes on the line at Ford airport, Detroit, Mich., when they started on the national air tour planned as a demonstration of the reliability of modern aircraft. Winner of the tour will receive the Edsel Ford reliability trophy. Stops were scheduled in 33 cities of the central northeast, the west, Canada and the south, covering more than 6,500 miles.

DEFICIT IN STATE FUND DECREASES

None By Next Year, Report Of Holman—Balance on Hand, Instead of Overdraft Now—Taxes and License Money Yet To Come, Adds Reduction

SALEM, Ore., July 11.—(AP)—A considerable portion of the state deficit will be eliminated by the end of 1932, a statement from the treasurer's office today revealed. On July 1, this year the general fund of the state showed a balance of more than three-quarter million dollars as compared to nearly a million dollars overdraw last year. The referendum against the appropriations for higher educational institutions and economies being effected in state governments are the other contributing factors to the conclusion of Rufus C. Holman, state treasurer.

The general fund's balance on July 1, 1931, Holman reported, was \$781,204.84 as compared with an overdraft on July 1, 1930 of \$884,512. To this balance the state treasurer will add unreciprocated transfers of operation fees, excise taxes, intangibles and income taxes amounting in all to more than a million and a quarter dollars, bringing the total balance to \$2,153,728.

Against this sum the treasurer is to apply about \$2,300,000 representing motor vehicle and motor transportation fees which will soon be distributed to the counties and to the state highway fund. The districts result in a slight deficit only as compared with an anticipated deficit of two to three million dollars.

This deficit, the treasurer explains, is considerably smaller than usual in the general fund for this time of the year, for the taxes that income and intangibles taxes have just been received and such funds have not yet been used in payment of appropriations for current expenses and building construction. As these funds go out the deficit will gradually increase until toward the end of the year when the last half of intangibles, income and property taxes will serve again temporarily to reduce it.

The treasurer also reported the total bonded indebtedness of Oregon July 1, 1930 was \$59,877,010, but that the net debt at that time after deducting assets was \$29,135,371. The total cash in the state treasury July 1 of this year was \$4,440,982 as compared with \$5,212,913 a year ago.

Endorsement of Eugene as the site of the proposed \$2,000,000 national soldiers home for the Pacific Northwest, was voted by the convention last night.

T. O. Russell, of Eugene, endorsed the movement to endorse Lane county city.

Barney Garrett, of St. Helens, opposed the resolution on the convention floor, advising the organization to stay out of what he termed "an improper and controversial matter."

The resolution endorsing Eugene remarked upon the circumstance that Eugene lies close to the center of population of the district to be served, is readily reached from all points of the district, offers fine accommodations for guests, the staff and families of the veterans, and that it is in the heart of institutions of higher learning.

Another point contained in the resolution remarked on recreational advantages and diversity of entertainment for guests and the staff.

EUGENE, Ore., July 11.—(AP)—Captain Jay Saltzman, of the state traffic department, received orders today from Hal E. Hoss, secretary of state, to arrest motorists who were found operating automobiles without proper license plates.

Captain Saltzman said no arrests would be made if the motorists showed a willingness to buy licenses. Those who refuse to buy them will be prosecuted, he said. Saltzman said he assumed similar orders had been issued to other traffic officers throughout the state.

SLEW AGED LADY AS 'MERCY ACT'

BRYAN, O., July 11.—(AP)—Theodore Taylor, 27, of Slicker, has confessed killing his 85-year-old grandmother, Mrs. Abbie Douglas, as an act of mercy, Sheriff Carl Ragan said tonight.

Taylor, arraigned before Justice of the Peace A. W. Vogelso, today, pleaded not guilty to a murder charge, but in a signed statement admitted poisoning the aged woman, the sheriff said. Since then, he has alternately admitted and denied the confession.

"Yes, I poisoned her. She had been sick a long time. She wanted something to relieve her, so I gave it to her," the sheriff quoted Taylor as saying in his confession.

VANDERBILT HEIRESS ENGAGED



Associated Press Photo
The engagement of Mariet Vanderbilt Church to Henry D. Phelps was announced by her mother, Mrs. Graham Fair Vanderbilt. Phelps is a bond salesman for a financial house in Providence, R. I. The wedding will take place either in September or October at Mrs. Vanderbilt's home at Manhasset, Long Island.



YOUTH TOLD TO AID DRY LAWS BY C. E. CHIEF

Christian Endeavor Convention Prohibition Not Only Issue—Poverty and Socialism Must Also Be Combated Dr. Poling Declares

SAN FRANCISCO, July 11.—(AP)—A "youth crusade, for law observance, evangelism and disarmament" was proposed here tonight by Dr. Daniel A. Poling, president of the International Society of Christian Endeavor at that organization's fifth annual international convention.

At the first formal plenary session of the convention, which was attended by more than 10,000 delegates, Dr. Poling called upon youth to lead in "the education and enlistment of friends of prohibition in maintaining the eighteenth amendment and supporting President Hoover and enforcement agencies."

"Prohibition is not the only issue, however," Dr. Poling continued, "we are not interested in prohibition to the exclusion of other important issues. Political decisions should not be conditioned exclusively upon whether or not parties are dry and candidates are for the eighteenth amendment."

"American democracy must find a way to destroy poverty. The American social and economic system must accept responsibility for discovering how to give work to every willing worker, for making the average man more secure in his savings and for distributing more widely the higher privileges of life as well as the bare necessities."

"The passion of the Soviet to win a class war must be matched by the fervor of American democracy to perfect 'this freedom'."

Dr. Poling closed his address with an impassioned appeal for world peace and disarmament.

GUENTHER VOTED VICE PRESIDENCY BY POSTAL AIDES

SALEM, Ore., July 11.—(AP)—At the joint convention of the Oregon federation of postal clerks and Oregon state association of letter carriers held here today, Roseburg was selected for next year's meeting which will be held the second Saturday in July.

Officers of the postal clerks elected here today include Lee W. Jackson of Baker, president; U. S. Kilder of Salem, first vice president; Hugo Guenther, Medford, second vice president; F. Kennedy of La Grande, third vice president; A. La Blade of Portland, re-elected secretary.

The retiring president, C. L. Peterson of Portland, will be delegate to the national convention.

The convention went on record as favoring a 30-year optional retirement law, and a court of appeals for postal civil service employees, with trial by jury.

The letter carriers were to elect officers later tonight.

ENGINEER SEES HOOVER DAM AS FUTURE MENACE

Danger of Disaster Due to Rock Formation, and Same Design and 'School of Thought' as St. Francis Dam—Claim Risk Can Be Avoided.

NEW YORK, July 11.—(AP)—Safety of the Hoover dam is questioned—said to risk repetition of the St. Francis dam disaster—in the July issue of Civil Engineering, official publication of the American Society of Civil Engineers.

The Hoover dam, 727 feet high, the greatest hydraulic structure ever undertaken, is still in the blue print stage, but the design has been selected and the contract let, and the safety questions are raised about this design. The danger is said to be due to the rock upon which the dam will rest rather than in the structure itself.

"This risk, the article claims, can be wiped out for an additional expense of \$5,000,000 or less. "It should not be forgotten," says the writer, "that three years ago the St. Francis dam, built by the city of Los Angeles, did fall, and without the slightest warning. Even a cursory examination of the plans now proposed will convince engineers that the Hoover dam is designed in accordance with the same school of thought and on altogether similar lines."

"To make the St. Francis dam, it is deficient in gravity section when uplift is considered; it is curved in plan, on the same radius, and it is designed on the same general theory that some concurrent arch action will take place and thus overcome the limitations of the section—a theory widely disputed by engineers."

The statement "deficient in gravity section when uplift is considered" means the dam's weight is insufficient to keep it from sliding with the weight of water pushing it from behind. The "uplift" is caused by water seeping under the dam, a push of tremendous power when the water is deep behind the dam.

DENVER, Colo., July 11.—(AP)—The United States bureau of reclamation is preparing a detailed statement in answer to the charges made by M. H. Gerry, Jr., San Francisco engineer, that Hoover dam is unsafe.

S. O. Harper, superintendent of construction, said today there was "very little merit in Gerry's statement and his article appearing in the July issue of Civil Engineering, shows he is not altogether familiar with the project."

The weather in Oregon—Generally cloudy Sunday and Monday; no change in temperature and humidity; moderate north and northwest winds offshore.

FINANCIAL AID URGED FOR BERLIN

President Plans to Avert Crisis By Backing Germany With American Gold—American Banking Interests Endorse Move—No Aid From Europe.

BERLIN, July 12.—(Sunday)—(AP)—Chancellor Bruening and members of the German cabinet adjourned this morning at 2 o'clock. Tired and haggard after an all night meeting spent in discussing what were called "spartan moves" to avert a financial crash in Germany.

They decided to meet again at 11 a. m., and announced no definite decisions as the result of the conferences tonight.

A semi-official communique issued after the adjournment stated the entire cabinet might be called together Sunday afternoon.

At 1 a. m., a number of leading German bankers were called to the chancellery to participate in the conference. No official explanation for the calling of the bankers was given, but it was understood that a message from Washington was being discussed. Ambassador Sackett remained at the American embassy throughout the night to await further news from Washington.

Castle's statement, made after conferences with the president at the chief executive's Rapidan camp in Virginia where he is a guest, said: "The president has had no request of any kind from the German government in connection with the present financial difficulties."

"They have not asked him to intercede with the federal reserve banks."

"In this connection it is well known that in any case the executive has no authority over the federal reserve board and does not attempt to influence it. We know nothing of a message from Washington."

"The president has not exchanged any message of any kind with Germany today."

Castle's statement was issued from the president's camp after the White House had been informed that leading German bankers had been called to confer with the cabinet in Berlin over a message reported to have been received from Washington.

It was added that no communication had been received today from Ambassador Sackett, the American envoy to Germany.

BERLIN, July 12.—(AP)—Several leading German bankers were called to the chancellery early today to confer with the cabinet and President Luther of the Reichsbank. While officially unexplained, the hasty gathering was understood to have been called to discuss a message from Washington. Sessions continued at 1:30 a. m.

WASHINGTON, July 11.—(AP)—Secretary Castle said tonight in a statement issued through the White House, President Hoover had received no request of any kind from the German government in connection with the present financial difficulties and had not been asked to intercede.

WASHINGTON, July 11.—(AP)—Mobilization of American financial power to bulwark distressed Germany has become the subject of discussions in which high administration officials are participating.

Disturbing reports of the German financial status have reached here but no comment was forthcoming.

President Hoover and acting Secretary Castle of the state department, treasury departments kept in close touch with the acute situation reported confronting the Brüening government.

Some officials expressed the private opinion Mr. Hoover would undertake some action to prevent a disastrous eventuality in Germany although the American government itself cannot act directly.

Three possible methods were outlined. These were: Unlimited credits by the federal reserve bank of New York to the Reichsbank, either by direct credits or the honoring of drafts; a massing of credits to Germany by private bankers; indirect credits to Germany through the bank of England.

The federal reserve system is an organization independent of the executive branch of the government.

Acting Secretary Castle said some days ago, the president could, if he desired, make suggestion to the federal reserve board as to a course of action in emergencies.

So far, officials point out, the powerful influence of American bankers has played little or no part in the efforts to alleviate the situation in Germany. State and

ACCIDENTS INCE PLEAS R BONDS

City Holders Near Pres- Septic Tank Describe Conditions as 'Appalling', Health Menace' and Be- Further Endurance.

Residents of the area in prox- to the present septic tank, at few days circulated the freely-signed petition. It signed by practically every owner and describes the and the necessity of improvement, as fol-

July 15th the people of will vote upon a bond for the construction of a disposal plant and a trunk along Bear Creek, thus pro- a means for cleaning up an sewer which now flows and uncontrolled en- through the city, and makes of stench and raw upon the properties of an citizens who live of course, thus endangering and lives of our fam- the condition is appalling human endurance. It must cannot continue.

The past several years we have protested to the state officials, and have nothing in return but. The condition is so and the peril is so that we must have relief, therefore making this ap- the voters of Medford to this bond issue and en- city to clean up this

believe that every voter recognize that a city like has no right to imperil and damage our prop- is being done in this in- which has grown worse near, until it has reached a degree. We believe each voter will recog- to demand that the con- immediately. It is beyond tion for business men citizens of a metropolitan set up an argument in de- of opposition to this bond when it has been shown the city is not carrying a general obligation bonded. This is no luxury bond is- the contrary, it is one for the protection of property, the first and right of our con- health officer of the state the statement that this is one of the worst in- and must be corrected further delay. The city station is now doing all to provide funds to do the sake of humanity. the name of decency, we to the voters for this we are making no threats, we want you that the con- we had that we cannot longer, and we ask you what would you do were placed in our posi- names are as follows: H. Smyle, Albert R. Stocks, Benson, M. J. Irving, E. Smith, Wm. E. Smith, Wood, Mrs. F. C. Nichols, Mary C. Hemstreet, A. Nichols, A. C. Walker, G. Miller, J. C. Woods, D. W. Smith, Frances Hogue, Mary Smith, H. E. McFad- H. Hohenbrook, E. E. Stump, Marsh, G. B. Elledge, Laura Edges, O. R. Stafford, W. F. Edges, D. A. Nelson, W. C. Mrs. John Pearley, Louis H. Charles Berwert, J. Johnson, Mrs. A. R. Coy, Mrs. Mildred Blair, O. C. Stinson, Mrs. C. W. A. C. Hamilton, W. D. Earl Owings, D. Barnes, J. H. Linville, P. Blair, F. W. Shinn, P. Blair, Fred Williams, Mary W. Billings, H. H. Hogue, J. D. McShane, L. Cowley, Robert Rae, John W. W. A. Harrison, C. E. W. Florence Ridgeway, L. Liles, Mrs. Robert Tho- Mrs. Hazel True, Claude Mrs. Claude Parton.

SALEM, Ore., July 11.—(AP)—The police station wasn't robbed and the firehouse didn't burn this time, but the firemen were called to quench a blaze in the water-works—now isn't that suspicious? Salem firemen were called to West Salem today when the belt driving machinery in the water-works caught on fire. There was plenty of water but they used chemicals to put out the blaze.

FIND BENNETT GUILTY AFTER 7 HOUR PARLEY

Jury, With Three Women Members, Convict Logger In 'Petting Party' Case—To Be Sentenced July 20—Faces Three to 20 Years.

The jury in the trial of Frank Bennett, 31, logger, after nearly eight hours' deliberation, last night at 9:40 o'clock returned a verdict of guilty on a statutory charge involving a fifteen year old high school girl. They retired at 1:50 p. m.

The jury stood 9 to 3, in the early balloting, according to court house reports, and during the last hour switched to 10 to 2 for conviction.

Circuit Judge H. D. Norton, at the request of defense counsel polled the jury, after their verdict. Time for sentence was fixed as Monday, July 20, at 9:30 o'clock. The law provides a sentence of from three to 20 years in state prison.

Attorney T. J. Enright, attorney for Bennett said that an appeal would be filed.

Bennett received the verdict in a calm manner, but later in the lobby of the court room, while being led back to his cell, embraced his loyal wife and wept bitterly. Fritz, companion of Bennett on the "petting party" will be sentenced at the same time, on a misdemeanor conviction.

Neither the complaining witness nor any of her kin, were in the courtroom when the verdict was read.

Court house reports said that two men and a woman juror held for acquittal in the early stages of the balloting, and that one of the women jurors held out to the last.

The trial lasted two days, and was bitterly fought. T. E. Daniels was foreman. There were three women on the jury, all of this city—Mrs. Cordella Root, Mrs. Meta Gilbert, and Mrs. Winnifred Short. The remainder of the jury was: George W. Dunn, Ashland; W. W. Hittle, Gold Hill; Leonard McKee, Applegate; Frank Beaton, Medford; Fletcher Fish, Phoenix; J. W. Smith, Gold Hill; W. H. Lydard, Medford, and J. F. Glass, Trail.

The complaining witness was a former high school girl, 15 years old on July 18 next. On March 11 last, by pre-arrangement, and with another high school girl, they met Bennett and Fritz, according to the testimony, and rode in an auto to a cabin near Ruch, where some liquor was procured. The party of four returned to Fritz' cabin. Fritz and his girl companion left leaving Bennett and the complaining witness behind.

The girl in the case, took the stand as the chief witness for the state, and sobbed out a tragic story.

WATER WORKS AT SALEM HAS FIRE

SALEM, Ore., July 11.—(AP)—The police station wasn't robbed and the firehouse didn't burn this time, but the firemen were called to quench a blaze in the water-works—now isn't that suspicious? Salem firemen were called to West Salem today when the belt driving machinery in the water-works caught on fire. There was plenty of water but they used chemicals to put out the blaze.

UPSTATE ASKS FOREIGN VETS FAVOR EUGENE HIGHWAY WORK

State Commission Given Plan to Aid Jobless By Willamette Valley Citizens—Million Dollar Expenditure Sought for Improvements.

SALEM, July 11.—(AP)—Aggressive moves to straighten, smooth and widen the Pacific highway from Salem to Oregon City is to be brought to the attention of the state highway commission when that organization meets in Salem, Thursday, July 30, it became known today.

The narrow highway between the two cities, a road which is reported to carry the heaviest inter-city traffic of any route in the state, has been regarded as inadequate for the service it must render. Agitation for improvement has been crystallized of late through the efforts of State Senator Charles K. Spaulding of the highway commission and the Salem chamber of commerce.

Spaulding told the chamber recently that he wanted one million dollars spent this winter by the highway commission for unemployment relief and urged the organization to get busy suggesting vital work which should be done.

As a result of an all-valley organization has been formed to present the case of the Pacific highway to the state highway commission, J. N. Chambers, former president of the Salem chamber of commerce, heads the group which is to meet here to discuss the highway needs before appearing at the highway commission meeting.

The present road, constructed years ago, is neither convenient nor safe argument for widening and otherwise improving the highway is the fact that it lies in the heart of the most populous district in the state and workers could find needed jobs this winter close to their homes. The report being formulated to present to the state highway commission calls for as much hard work on a time basis as possible in the construction of the highway.

Members of the organization today said figures would be presented to the highway commission to show the unusually heavy use made of the highway.

LAWYERS FLAYED FOR WEAK STAND

MOSCOW, Idaho, July 11.—(AP)—Robert D. Leeper, Lewiston, flaying members of the state bar association for lack of interest in the organization, told them today "it is difficult to conceive of the state of modern standing with average modern when he said 'give me liberty or give me death'."

"Rather does he advise with himself as to which position will profit him most," Leeper said, addressing the group as it closed its annual meeting. He declared stronger local associations would knit members of the bar together for business, ethical and social purposes.

PORTLAND, July 11.—(AP)—A robber who took \$450 from the cash register of an east side meat market late yesterday forced the proprietor, Roy Lytle, and a customer, Mrs. W. R. Whitaker, to enter the ice box while he made his escape. The two who were locked in the refrigerator box, were released by Dominic Ajdano, who arrived in the store just as the robber was leaving.

FOREIGN VETS FAVOR EUGENE HOSPITAL SITE

University City Invites 1932 Convention There In Return—Endorsement Voted At Astoria Meet After Protest Voiced on Floor.

ASTORIA, Ore., July 11.—(AP)—The newly-elected officers of the state department of Veterans of Foreign Wars received a telegram from Eugene chamber of commerce tonight thanking them for endorsing Eugene as the site for the proposed northwestern branch of the national soldiers' home.

The chamber also invited the officers to select Eugene as the 1932 convention city. The officers said the Eugene chamber had appropriated sufficient funds to take care of any expense necessary for the convention.

The department officers said the 1932 convention would be held in Eugene "without a doubt."

Endorsement of Eugene as the site of the proposed \$2,000,000 national soldiers home for the Pacific Northwest, was voted by the convention last night.

T. O. Russell, of Eugene, endorsed the movement to endorse Lane county city.

Barney Garrett, of St. Helens, opposed the resolution on the convention floor, advising the organization to stay out of what he termed "an improper and controversial matter."

The resolution endorsing Eugene remarked upon the circumstance that Eugene lies close to the center of population of the district to be served, is readily reached from all points of the district, offers fine accommodations for guests, the staff and families of the veterans, and that it is in the heart of institutions of higher learning.

Another point contained in the resolution remarked on recreational advantages and diversity of entertainment for guests and the staff.

WHEAT GAMBLERS FACE LEGAL CURB BY HOOVER PLAN

WASHINGTON, July 11.—(AP)—President Hoover's denunciation of wheat speculators was followed today by demands for legislation to restrict their activities.

Two senate democrats and department officials joined in his condemnation of speculative short selling, a transaction which Mr. Hoover said was intended only to depress prices and served to deprive farmers of their rightful income.

Meanwhile, Chicago prices closed half a cent lower than yesterday, influenced partly by forecasts of a 1931 production of 869,613,000 bushels.

The troubles of the wheat farmer have been brought into a prominence through the efforts of administration leaders to amend farm board policies.

A congressional investigation preliminary to forming legislative proposals for crubbing short sales was demanded by democrats of the senate. They could see no hope in Mr. Hoover's appeal to speculators' patriotism and urged new legislation to stop this type of trading in times of stress.

Senator Fletcher, democrat, Florida, proposed the grain futures act be amended to make it possible to publish the names of speculators.